

**MSAD #30**

**FRAUD**

Fraud is an intentional act that results in misappropriation of assets, or misstatements or omissions in reporting financial, personnel, student or other information.

All employees of the district are expected to act with integrity and due diligence in duties involving the district's resources, financial or otherwise. Employees must not use their position or any knowledge gained from their employment, for private gain or advantage for themselves or for any other person.

Employees are encouraged to report suspected improper or illegal activity to appropriate School District Administrators.

The Board of Directors will not tolerate any form of reprisal, retaliation or discrimination as a result of this reporting. An employee who believes that he/she has suffered reprisal, retaliation or discrimination in violation of this policy shall report the incident(s) to the Superintendent of Schools or the Chair of the Board of Directors.

The Board of Directors considers violations of this policy to be a major offense that will result in disciplinary action against the offender, regardless of the offender's position within the School District.

If an investigation substantiates an allegation of fraud the employee(s) involved may be penalized in ways up to and including termination of employment. The Superintendent shall report to the board the results of such a fraud investigation. Results of the investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate need to know. The Superintendent shall report fraudulent actions that may be subject to civil or criminal penalties to law enforcement.

**Fraud Prevention and Investigation**

All employees, board members, consultants, vendors, contractors and other parties maintaining a business relationship with the district shall act with integrity and due diligence in duties involving the district's fiscal resources.

The Superintendent may direct the development of internal controls to aid in preventing and detecting fraud and financial impropriety within the district. Each member of the management team shall be alert for any indication of fraud or financial impropriety within his/her area of responsibility.

## Reporting Fraud

An employee who suspects fraud or other impropriety shall promptly report those suspicions to the immediate supervisor and/or the Superintendent. The Superintendent shall have primary responsibility for any investigations, in coordination with legal counsel and other internal or external departments and agencies as appropriate.

1<sup>st</sup> Reading: September 23, 2008

Approved: October 25, 2008